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GENESCO

UNIVERSITY OF TEXAS AT ARLINGTON LIBRARY

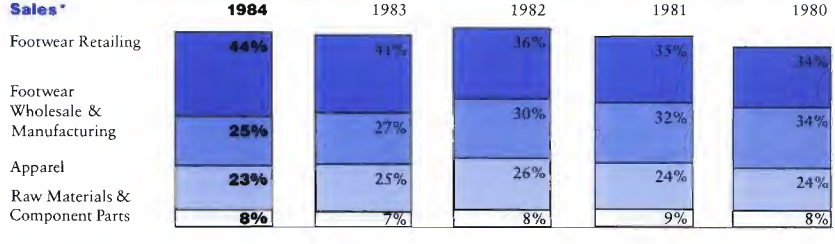
Genesco is a marketer/retailer of consumer and consumer related products and services to U.S. and Canadian consumers in specific niches of the market where it has or can develop a real or perceived comparative advantage.

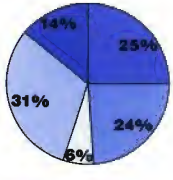
1984 Annual Report

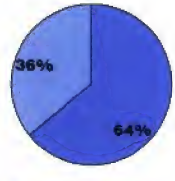
Financial Highlights

Genesco Inc. and Consolidated Subsidiaries
Dollar Amounts in thousands except per share amounts

	1984	1983	Percent Change
Sales*	**$604,469**	$599,718	+1%
Pretax Earnings (Loss)	**$ 18,678**	$ (312)	N/A
Net Earnings (Loss)	**$ 18,745**	$ (1,971)	N/A
Net Earnings (Loss) Per Share			
Primary	**$1.08**	$(.29)	N/A
Fully Diluted	**$1.02**	$(.29)	N/A
Working Capital	**$ 179,452**	$162,588	+10%
Current Ratio	**3.6**	3.1	+16%
Common Shares Outstanding	**15,044,934**	14,419,621	+ 4%
Number of Stores	**1,098**	1,157	– 5%







Total Assets	1984
Footwear Retailing	**25%**
Footwear Wholesale & Manufacturing	**24%**
Raw Materials & Component Parts	**6%**
Apparel	**31%**
Corporate	**14%**

Footwear Sales	1984
Retailing	**64%**
Wholesale & Manufacturing	**36%**

Apparel Sales	1984
Tailored Clothing	**77%**
Hosiery	**23%**

*Sales of divested operations are excluded from all years

Lanvin of Paris

Genesco is a target marketing company which is serving consumer needs for quality footwear and men's apparel. Within these two large and diverse markets, Genesco seeks profitable niches that provide opportunity for it to be a market leader. Johnston & Murphy shoes, Christian Dior hosiery, and suit brands such as Chaps by Ralph Lauren and Colours by Alexander Julian all illustrate this marketing strategy.

The two markets are filled with many segments which are in constant transition. Some are growing, some static, and others declining.

Finding fast-growth niches is the key to dealing with mature markets, and Genesco has demonstrated the ability to do so. Using the latest statistical methods and top-notch marketing talents to monitor the markets it serves and to change with the consumer change, Genesco constantly seeks new opportunities to develop greater competitive advantage.

Footwear Retail

One such opportunity on which the Company is concentrating is footwear retailing. Already a leading footwear retailer in the United States and the second largest footwear retailer in Canada, Genesco expects to add 500 stores in the United States and 80 in Canada by 1990. Each store concept is highly targeted.

Johnston & Murphy is an excellent example of the Genesco strategy. Five years ago, J&M management saw a way to better serve the affluent, discriminating customers and potential customers of Johnston & Murphy shoes by developing its own Johnston & Murphy retail stores. The chain now consists of 80 carefully selected locations, and J&M sales today are twice what they were five years ago.

The Hardy chain appeals to a forward fashion consumer with a value orientation, while Foot Scene provides younger, upwardly mobile women and men with a wide selection of footwear. Mitre performance footwear is based on a successful line of soccer shoes. Genesco markets boots under the well-respected Wrangler brand.

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Richard W. Hanselman
Chairman, President, and Chief Executive Officer

Fiscal 1984 was our best year since 1971. Pretax earnings of $18,678,000 were encouraging. Equally encouraging to the management and employees of the Company is our feeling that the Company is now positioned to increase sales as well as earnings.

Sales from continuing operations were flat, because we continued to focus our attention on improving the yield from our strongest existing businesses.

Restructuring Completed

Having virtually completed the repositioning and restructuring of these businesses, Genesco can now resume growing from a much sounder base than we had only a few years ago. For the near future, the Company's primary thrust will be the marketing and retailing of quality footwear and footwear-related products. The balance will include our Greif Companies' tailored clothing operations and our adhesives company.

Our multi-year effort to rebuild a profitable base has been essentially completed. Key operating staff and management are in place. The Company's long-term debt has been reduced to manageable levels. We presently have no short-term debt, and foresee only modest needs to borrow during peak seasons for the next year or two.

Objectives for Growth Met

In 1984, the businesses that we targeted for growth met their objectives. These were, of course, the businesses that have been identified as both promising and profitable. Our Agnew retail business, a leading chain in Canada, increased its sales by 9 percent, and its operating earnings by almost 70 percent. Our U.S. retail business achieved a sales increase of 10 percent and an even greater 88 percent increase in oper-

ating profit. Johnston & Murphy footwear produced increases of 9 percent in sales and 23 percent in earnings as we strengthened its retail network. We improved our boot business as well as Charm Step, our branded line for the comfort-minded woman. Our hosiery business generated higher earnings on a modest increase in sales. At The Greif Companies, we made excellent strides despite continuing difficulties resulting from organizational changes in our tailored clothing businesses. Based on the progress that has been made, we anticipate that Greif will be profitable in the next twelve months.

Growth in Revenues to Resume

Although we were pleased with the dramatic improvement in our profit and key operating ratios, we recognize that there is still much to be accomplished. In fiscal 1985, the first year of our new six-year plan, we anticipate that Genesco revenues will grow for the first time since 1982.

This expected growth will result from concentration on our well-established retail businesses, branded footwear, and apparel lines. While we foresee continuing opportunities to raise profit through further expense reductions, the primary opportunity to improve earnings will come from effectively managed sales growth.

Genesco's Mission

Genesco is a marketer/retailer of consumer and consumer-related products and services to U.S. and Canadian consumers in specific niches of the market where it has or can develop a real or perceived comparative advantage.

A New Six-Year Plan

Genesco's new six-year plan calls for meeting demanding objectives that we expect to achieve during calendar 1990.

Although our sales growth will be modest in fiscal 1985 and 1986, our financial objectives call for the Company to achieve a meaningful sales growth over the six-year period, to earn a 10 percent pretax return on sales, a 25 percent pretax return on assets, a 15 percent return on equity, and to establish a 35 percent debt-to-equity ratio. These goals are well ahead of recent Genesco levels and will be difficult to achieve. The best in our industry have achieved them and we feel that we can match the best, given enough time.

Turning Weaknesses into Strengths

Genesco's current businesses, for example, are capable of realizing significant improvement in both revenues and key operating ratios, even though we are competing in two slow-growth, labor-intensive, import-sensitive industries. In fact, our most attractive current business—retail footwear—enables us to take advantage of the very disadvantages affecting the manufacturing segment of its industry. Now accounting for 57 percent of our total footwear business, we expect retailing to account for as much as 70 percent in fiscal 1990.

While retailing offers substantial opportunity, manufacturing of footwear and apparel in this country does not. Some 70 percent of the consumer footwear in America is produced offshore, where the labor cost advantage can be 10-1. Only significant duty and quota barriers have protected the tailored clothing business from a similar fate. We have considered these facts in our planning.

We have greatly reduced our manufacturing operations to lower the breakeven point and enhance our prospects for profitability, despite the negative factors prevailing in these industries today. We must lower our breakeven point still

more by consolidating plants wherever possible and maintaining efficient, state-of-the-art equipment and processes. It is highly likely that we will close additional plants over the next six years, but the financial impact in any one year is not expected to be material.

Building on Retail Strengths

Meanwhile, we are focusing greater attention on the retail business where our capabilities have been tested and proven. In addition to effectively positioned retail activities in both the United States and Canada, we have brands and labels that can be expanded. These brands and labels —Johnston & Murphy, Jarman, Wrangler, Mitre, Charm Step, Dior, Camp, Chaps and Polo University by Ralph Lauren, Perry Ellis, Lanvin of Paris, Kilgore French & Stanbury— are all respected for their style, high quality, and values, and will be targeted to growing consumer segments that respond to effective marketing appeals.

Seeking New Businesses

Not all of the future growth is expected to come from these activities, however. Our plan calls for almost doubling 1984 revenues by 1990. To do this, we must acquire a business or businesses generating sales of $250-$300 million in promising market niches that we are now in the process of identifying. We expect to acquire successful businesses serving these market niches in fiscal 1986, or later.

The typical business that we seek must be compatible with our talent and experience. It must be capable of achieving or exceeding our financial objectives. It must have strong and committed management and a demonstrated ability to maintain a position as number one or number two in the market or geographic niche that it serves. Such partners may be hard to find, but we believe our search will be successful.

Five Quarters of Improvement

The sharp improvements in our operating results and key ratios over the past five quarters, along with the development of a rational plan that builds on proven Genesco strengths in the retail and branded products area, have resulted in a company that is far more able and more confident that it can remain on a winning and increasingly more profitable course.

A final challenge is to resolve the matter of overdue redemptions and dividend arrearages of our preferred stock. While we cannot address this at the present time, the continuing improvement in earnings and capital resources that we anticipate will move us increasingly closer to the point from which we can deal with it, and the overall effort to do so carries a high management priority.

Developing Solid Management

Many of the goals established for Genesco's near future would not be feasible without a solid management and staff structure in place, and we have that. There will be a continuing need for additions and replacements, and opportunities for promotions. Our staff departments are well-manned and effectively managed. There will

be modest requirements for additional staffing as we grow, but not for additional staffs.

Top operating management is developing throughout the Company, and we are now focusing our attention on strengthening middle and lower management levels. We are committed to continuing investment in manpower development programs, greater emphasis on college recruiting, effective career pathing, and succession planning as elements that will draw the best possible talent to Genesco's ranks.

A Debt of Gratitude

John L. Hanigan retired from the chairmanship of the board of directors of the Company April 30, 1984, and will retire as a director December 5, 1984. Following distinguished careers at two other major corporations, Mr. Hanigan joined the Company as chairman of the board, president and chief executive officer May 1, 1977. He served in those positions until December 7, 1981, continuing after that date as chairman of the board. At a time when the credibility of the Company and the confidence of its creditors, stockholders and employees were at a low point, Mr. Hanigan placed his personal credibility and professional reputation on the line. Because of his uncompromising integrity, sound judgment, innate fairness, professional management ability, personal warmth and unfailing good humor, Mr. Hanigan was successful in guiding the Company through the difficulties it faced in May 1977. We will always have a deep feeling of respect, admiration, gratitude and affection for Mr. Hanigan.

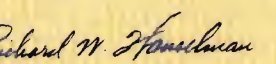
The many friends of Harold K. Johnson experienced sorrow and a deep sense of loss upon his death September 24, 1983. General Johnson served as a director of the Company, beginning in 1968 shortly after he retired as Chief of Staff of the United States Army. He also served for many years as chairman of the Company's audit committee. He made important contributions to the welfare of the Company, often under difficult circumstances. General Johnson was a trusted friend and respected advisor of the Company's officers, its employees and his fellow directors.

A New Fiscal Year

As previously announced Genesco has changed the date of its fiscal year end from July 31 to January 31 to more closely coincide with other companies in our industry.

We have come a long way on a difficult path, and we are stronger and more confident. The challenges that lie before us are worthy, but by no means formidable.

We appreciate the continued support of our shareholders, our employees, our lenders, our customers and our suppliers, and hope that you will continue to follow our progress with interest.



Richard W. Hanselman
Chairman, President, and
Chief Executive Officer

Results of Operations

Year Ended July 31, 1984

The Company had pretax earnings of $18,678,000 in 1984 compared to a loss of $312,000 in 1983. The increase, achieved during a favorable economic environment, was broadly based throughout all segments of the Company's business.

During the third quarter ended April 30, 1984, the Company determined that its provision for discontinued operations established in prior years was greater than its currently anticipated requirements. The provision was therefore reduced by $4,306,000, which was reflected in net income in the third quarter.

On August 16, 1984 the U.S. and Canadian governments ratified a tax treaty which, among other things, will reduce from 15% to 10% the withholding tax rate that will apply to earnings the Company plans to repatriate. The effect of this rate reduction was recorded in 1984 and reduced previously accrued withholding taxes by $1,253,000.

U.S. retail footwear pretax earnings increased $6,329,000 (88%) over 1983. Sales increased $16,604,000 (10%), and unit sales increased 8%. The increase in pretax earnings is due primarily to increased sales and improved gross margin. Operating expenses increased 6% principally because of increases in store rents and compensation of store sales personnel.

Canadian retail footwear pretax earnings increased $2,569,000 (66%). Sales increased $2,261,000 (3%), and unit sales increased 6%. The increase in pretax earnings resulted from increased sales and improved gross margins. Operating expenses were slightly less than last year.

U.S. wholesale footwear operations produced pretax earnings of $3,605,000 compared to $585,000 last year. The improvement in pretax earnings, which is the result of improved gross margins, occurred in every division of U.S. wholesale operations except for the Wrangler casual shoe division which the Company has announced it intends to discontinue. Operating expenses were essentially the same as last year. Sales were $11,724,000 (8%) less than last year. Unit sales decreased 26%. The decline in both unit and dollar sales is attributed primarily to the Company's decision last year to reduce the amount of low-margin, private label sales to mass merchandisers.

Canadian wholesale footwear operations pretax earnings increased $1,219,000 (89%), despite a sales decline of $1,001,000 (6%). The improvement in pretax earnings is due to reduced operating expenses. The sales decline is attributed to the closing last year of a wholesale division. Sales from continuing operations were slightly higher than last year.

Pretax earnings from raw materials operations were slightly higher than last year, although sales increased $9,033,000 (21%). Reduced margins in certain product lines and increased operating expenses adversely affected the earnings increase.

Men's apparel pretax earnings increased $1,646,000 (27%) with tailored clothing accounting for 89% of the increase. Total men's apparel sales were $10,422,000 (7%) less than last year. Sales of hosiery were essentially the same as last year. Sales of tailored clothing were 9% lower as a result of planned reductions in certain product lines, increased import competition and the winding down of a major sales contract. Improved manufacturing efficiency and reductions in expenses in tailored clothing operations, primarily as a result of the inclusion in last year's expenses of substantial costs of consolidating two tailored clothing divisions, accounted for the earnings improvement.

Interest expense (net of interest income) decreased $2,074,000 (14%) primarily because of decreased short-term indebtedness. The only short-term indebtedness incurred by the Company during fiscal 1984 was $5 million that Genesco Financial Corporation was required by its long-term lenders to have borrowed at all times. This requirement was waived in July 1984

and the $5 million repaid. A $2.1 million increase in long-term interest expense this year resulting from long-term debt refinancings in March and October of 1983 at higher interest rates was more than offset by the increase in interest income from invested excess cash.

Corporate expenses were $1,439,000 (24%) higher in fiscal 1984 than in fiscal 1983 and include a write-off of certain fixed assets in fiscal 1984 whereas fiscal 1983 included a nonrecurring gain from the redemption of securities and income from a lawsuit settlement.

Year Ended July 31, 1983

The Company had a pretax loss of $312,000 in 1983 compared to pretax earnings of $7,951,000 in 1982, a reduction of $8,263,000. Included in the 1983 results was a loss of $3,351,000 on the sale of the Haywood division, manufacturers of jeans and casual slacks, and a $7,926,000 decline in the Company's tailored clothing operations. The Company believes its business in general was adversely affected by the depressed business environment in the U.S. and Canada in which the Company operated during most of fiscal 1983. In December 1982, the Company began to experience an improvement in retail sales in the U.S. which has continued. As the economy improved, the Company also began to experience in the fourth quarter some improvement in wholesale orders compared to fiscal 1982 for both footwear and men's apparel, although this improvement was not experienced by all sales divisions. Retail sales in the Company's Canadian operations also began to improve in the fourth quarter. In the fourth quarter, the Company recorded its first improvement in quarterly pretax earnings in two years (compared to the comparable quarters of prior years), reporting pretax earnings of $5,729,000 compared to a loss of $720,000 in 1982, an improvement of $6,449,000. The fourth quarter improvement occurred throughout the Company's U.S. and Canadian footwear operations.

U.S. retail footwear operations generated pretax earnings of $7,225,000 compared to $5,890,000 in 1982. Net sales increased $14,078,000 (9%), and unit sales increased 5%. The increase in earnings is due primarily to increased sales and to a lesser degree improved gross margin.

Canadian retail footwear earnings declined $105,000 (3%). Increases in retail store rent, selling salaries (principally in leased department operations) and other store related expenses contributed to the decline. Sales increased $9,968,000 (16%), primarily a result of the addition of 32 leased departments in a chain of discount stores.

U.S. wholesale footwear operations produced pretax earnings of $585,000 compared to a pretax loss of $2,779,000 in 1982. The improvement in earnings is attributed to significant improvements in results of the private label and another wholesale division and in manufacturing operations. The decision in 1982 to discontinue the Easy Street and Cover Girl lines of women's shoes reduced the losses of these lines from $1,449,000 in fiscal 1982 to $117,000 in fiscal 1983. Sales were $19,252,000 (12%) less than in 1982. Unit sales decreased 13%. The discontinued Easy Street and Cover Girl lines accounted for $11,492,000 of this sales decline. Another factor in the decline in sales is the Company's decision in 1983 to reduce the amount of low-margin, private label sales to mass merchandisers.

Canadian wholesale footwear operations earned $947,000 (41%) less than in 1982. Earnings were adversely affected by the decline in sales, resulting in underabsorbed overhead. Sales declined $4,424,000 (20%). Although sales were adversely affected by economic conditions in Canada, approximately 65% of the sales decline is attributed to the closing of a wholesale division.

Raw materials operations earned $1,182,000 (21%) less than in 1982. The major reason for the decline in earnings is a $3,563,000 (8%) reduction in sales. Sales of leather and cut soles, particularly for military footwear and western boots, declined substantially in 1983.

The $9,386,000 (6%) decline in sales of men's apparel is attributable entirely to tailored clothing operations. Sales of hosiery increased slightly. Earnings declined $7,406,000 (54%). Earnings from tailored clothing operations were adversely affected by substantial expenses resulting from the consolidation of two tailored clothing divisions, by reduced sales and manufacturing inefficiencies.

Interest expense increased $892,000 (7%) primarily because of increased short-term indebtedness. Average short-term interest rates declined from 17.4% in fiscal 1982 to 11.5% in fiscal 1983.

For a discussion of the effects of inflation on the Company's operations, see Note 17.

Liquidity and Capital Resources

During the year ended July 31, 1984 the Company made substantial improvements in its liquidity. At July 31, 1983 the Company had $39.0 million of long-term debt maturing in fiscal years 1984 and 1985, consisting of:

In Millions	Amount
Regular payments due in fiscal 1984	$11.1
Regular payments due in fiscal 1985	9.2
Final payments due in August and December 1984	18.7
Total	$39.0

During the year ended July 31, 1984 the Company paid the $11.1 million due in fiscal 1984 and prepaid the $18.7 million due in August and December 1984. All but $2.0 million of such payments were made from the proceeds of a $30 million public offering of debt and equity securities completed in October 1983. See Note 7 to the Consolidated Financial Statements.

In July 1984 Genesco Financial Corporation ("GFC") received from the holders of its long-term notes a waiver of the requirement that GFC have $5 million of short-term loans outstanding at all times.

As a result of the refinancing, improved operating results, and the divestiture of two operating divisions, working capital at July 31, 1984 increased $16.9 million to $179 million from the July 31, 1983 level, and cash and short-term investments increased $6.3 million after paying off the $5 million GFC short-term indebtedness referred to above. The ratio of current assets to current liabilities increased from 3.1 to 3.6. Accounts receivable turn increased. Inventory turn decreased slightly as we increased inventories in certain areas in anticipation of increased business.

Capital expenditures for the twelve months ended July 31, 1985 are expected to be $7.2 million for new retail stores and renovations and $6.3 million for manufacturing equipment and other items. Payments on long-term debt are expected to be $8.4 million, and payments on capitalized lease obligations to be $3.2 million.

The Company anticipates that cash generated by operations in the twelve months ended July 31, 1985 will not be sufficient to meet projected cash needs, although its cash and short-term investments should be more than sufficient to meet any cash needs not met by operations. In addition, revolving credit agreements expiring January 25, 1985 provide commitments for short-term loans to Genesco and GFC in the amounts of $15 million and $11 million, respectively. While the Company does not expect to borrow any money under these agreements during the next twelve months, it does expect these agreements to be renewed. See Note 5 to the Consolidated Financial Statements.

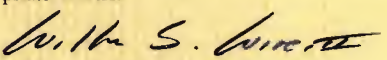
Management's Responsibility for Financial Statements

The consolidated financial statements presented in this report are the responsibility of management and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis. Some of the amounts included in the financial information are necessarily based on estimates and judgments of management.

The Company maintains accounting and related internal control systems designed to provide, among other things, reasonable assurance that transactions are executed in accordance with management's authorization and that they are recorded and reported properly. An integral part of the control system is an internal audit program which regularly reviews the internal control systems of the Company and coordinates its activity with the examination by the Company's independent accountants. There are limitations inherent in all systems of internal control and the Company weighs the cost of such systems against the expected benefits.

The financial statements have been examined by our independent accountants, Price Waterhouse. Their primary role is to render an independent professional opinion on the financial statements. Their examination, which is performed in accordance with generally accepted auditing standards, includes a study and evaluation of the Company's accounting systems and internal controls sufficient to express their opinion on those financial statements.

The audit committee of the board of directors, composed entirely of directors who are not and have never been employees of the company, meets regularly with management, the internal auditors and the independent accountants to review the results of their work and to satisfy itself that their responsibilities are being properly discharged. The internal auditors and the independent accountants have full and free access to the audit committee, and meet with it (with and without management present) to discuss appropriate matters.



William S. Wire II
Vice President-Finance

Report of Independent Accountants

August 21, 1984

To the Board of Directors and Stockholders of Genesco Inc.

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of earnings, of changes in financial position, of additional paid-in capital and of accumulated deficit present fairly the financial position of Genesco Inc. and its subsidiaries at July 31, 1984 and 1983, and the results of their operations and the changes in their financial position for each of the three years in the period ended July 31, 1984, in conformity with generally accepted accounting principles consistently applied. Our examinations of these statements were made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Consolidated Balance Sheet

Genesco Inc. and Consolidated Subsidiaries
In Thousands

July 31	1984	1983
Assets		
CURRENT ASSETS		
Cash	**$ 7,796**	$ 13,685
Short-term investments (Note 1)	**24,192**	12,000
Receivables (Note 2)	**74,834**	82,635
Inventories (Note 3)	**137,592**	127,904
Prepaid expenses	**2,888**	2,742
Total current assets	**247,302**	238,966
Plant, equipment and capitalized lease rights (Note 4)	**76,837**	85,078
Other assets	**5,302**	3,134
Total Assets	**$329,441**	$327,178
Liabilities and Stockholders' Equity		
CURRENT LIABILITIES		
Notes payable (Notes 5 and 10)	**$ –0–**	$ 5,000
Current payments on long-term debt	**8,434**	11,163
Current payments on capitalized lease obligations	**3,158**	3,370
Accounts payable and accrued liabilities (Notes 6 and 12)	**53,826**	52,678
Provision for discontinued operations (Note 9)	**2,432**	4,167
Total current liabilities	**67,850**	76,378
Long-term debt (Notes 7 and 10)	**105,433**	109,916
Capitalized lease obligations (Note 8)	**24,918**	28,416
Provision for discontinued operations (Note 9)	**11,411**	15,729
Deferred income taxes	**4,133**	4,357
Redeemable preferred stock (Note 10)	**21,698**	21,469
Non-redeemable preferred stock (Note 10):		
Stated value of issued shares	**46,094**	46,094
Employee preferred stock purchase accounts (Note 13)	**(16,961)**	(17,064)
Total non-redeemable preferred stock	**29,133**	29,030
Common stockholders' equity (Note 10):		
Par value of issued shares	**15,533**	14,908
Additional paid-in capital	**80,440**	74,172
Employee common stock purchase accounts (Note 13)	**(520)**	(520)
Accumulated deficit	**(9,254)**	(27,944)
Treasury stock, at cost	**(17,857)**	(17,857)
Foreign currency translation adjustments (Note 1)	**(3,477)**	(876)
Total common stockholders' equity	**64,865**	41,883
Total Liabilities and Stockholders' Equity	**$329,441**	$327,178

The accompanying Notes are an integral part of these Financial Statements.

Consolidated Earnings

Genesco Inc. and Consolidated Subsidiaries
In Thousands

Years Ended July 31	1984	1983	1982
Net sales	**$606,264**	$639,761	$664,805
Cost of sales	**382,422**	426,499	446,432
Gross margin	**223,842**	213,262	218,373
Selling, general and administrative expenses	**192,125**	195,760	199,651
Interest expense, net	**12,517**	14,591	13,699
Other income (expense)	**(522)**	128	2,928
Loss on divested operation (Note 9)	**–0–**	(3,351)	–0–
Pretax earnings (loss)	**18,678**	(312)	7,951
Income taxes (Note 11)	**7,634**	2,660	6,852
Earnings (loss) before discontinued operations and extraordinary credits	**11,044**	(2,972)	1,099
Excess provision for future losses of discontinued operations (Note 9)	**4,306**	–0–	–0–
Earnings (loss) before extraordinary credits	**15,350**	(2,972)	1,099
Extraordinary credits:			
U.S. federal income tax (Note 11)	**3,395**	–0–	–0–
Extinguishment of debt (Note 7)	**–0–**	1,001	–0–
Net Earnings (Loss)	**$ 18,745**	$ (1,971)	$ 1,099
Earnings (loss) per common share (after preferred dividend requirements—Note 1):			
Primary:			
Before discontinued operations and extraordinary credits	**$ .57**	$(.36)	$(.09)
Before extraordinary credits	**$ .86**	$(.36)	$(.09)
Net earnings (loss)	**$1.08**	$(.29)	$(.09)
Fully diluted:			
Before discontinued operations and extraordinary credits	**$ .55**	$(.36)	$(.09)
Before extraordinary credits	**$ .81**	$(.36)	$(.09)
Net earnings (loss)	**$1.02**	$(.29)	$(.09)

The accompanying Notes are an integral part of these Financial Statements.

Consolidated Changes in Financial Position

Genesco Inc. and Consolidated Subsidiaries
In Thousands

Years Ended July 31	**1984**	1983	1982
Operations:			
Net earnings (loss)	**$ 18,745**	$ (1,971)	$ 1,099
Depreciation and amortization	**10,074**	11,519	10,554
Provision for discontinued operations, net	**(4,440)**	1,025	(68)
Other charges to earnings not requiring cash	**1,521**	3,027	2,945
Cash provided by operations before operating working capital changes	**25,900**	13,600	14,530
Cash provided by (used for) operating working capital changes	**(885)**	20,263	18,519
Cash provided by operations	**25,015**	33,863	33,049
Investments:			
Additions to plant, equipment and capitalized lease rights	**(7,525)**	(18,137)	(17,276)
Proceeds from plant and equipment disposals	**2,849**	14,731	7,771
Changes in long-term investments and receivables	**(1,163)**	429	438
Cash used for investments	**(5,839)**	(2,977)	(9,067)
Financing:			
Payment of long-term debt	**(30,601)**	(15,007)	(10,821)
Long-term borrowing	**22,350**	30,414	–0–
Retirement of debt	**–0–**	(30,414)	–0–
Capital stock and warrants issued and exercised	**7,225**	419	–0–
Preferred stock redemptions and exchanges	**(101)**	(770)	(747)
Lawsuit settlement	**–0–**	–0–	(6,417)
Increase (decrease) in notes payable	**(5,000)**	(11,000)	9,000
Payment of capitalized lease obligations	**(3,819)**	(3,901)	(4,291)
Additional capitalized lease obligations	**171**	13,032	2,453
Increase in deferred note expense	**(1,085)**	(402)	–0–
Other	**(1,539)**	1,218	(911)
Cash used for financing activities	**(12,399)**	(16,411)	(11,734)
Changes in Provision for Discontinued Operations	**(474)**	(2,356)	(7,571)
Increase in Cash and Short-term Investments	**$ 6,303**	$ 12,119	$ 4,677

The accompanying Notes are an integral part of these Financial Statements.

Consolidated Changes in Financial Position, Continued

Years Ended July 31	1984	1983	1982
Increase (Decrease) in Components of Working Capital			
Cash	**$ (5,889)**	$ 119	$ 4,677
Short-term investments	**12,192**	12,000	–0–
Subtotal	**6,303**	12,119	4,677
Receivables	**(7,801)**	(14,812)	(23,720)
Inventories	**9,688**	(17,754)	(7,826)
Prepaid expenses	**146**	1,467	379
Total current assets	**8,336**	(18,980)	(26,490)
Notes payable	**(5,000)**	(11,000)	9,000
Current payments on long-term debt	**(2,729)**	(5,236)	5,984
Current payments on capitalized lease obligations	**(212)**	524	(577)
Accounts payable and accrued liabilities	**1,148**	(10,835)	(12,649)
Provision for discontinued operations	**(1,735)**	(936)	(2,077)
Total current liabilities	**(8,528)**	(27,483)	(319)
Increase (Decrease) in Working Capital	**$ 16,864**	$ 8,503	$(26,171)

Consolidated Additional Paid-In Capital

Genesco Inc. and Consolidated Subsidiaries
In Thousands

Years Ended July 31	1984	1983	1982
Balance at beginning of year	**$ 74,172**	$ 72,701	$ 63,792
Increase in liquidation value of series 2 stock	**(331)**	(331)	(331)
Issuance of common stock	**4,871**	326	8,965
Issuance of stock warrants	**1,728**	1,476	275
Balance at End of Year	**$ 80,440**	$ 74,172	$ 72,701

Consolidated Accumulated Deficit

Genesco Inc. and Consolidated Subsidiaries
In Thousands

Years Ended July 31	1984	1983	1982
Balance at beginning of year	**$(27,944)**	$(25,914)	$(24,694)
Net earnings (loss)	**18,745**	(1,971)	1,099
Preferred dividends paid	**(55)**	(59)	(713)
Retirement of preferred treasury stock	**–0–**	–0–	(1,606)
Balance at End of Year	**$ (9,254)**	$(27,944)	$(25,914)

The accompanying Notes are an integral part of these Financial Statements.

Note 1
Summary of Significant Accounting Policies

Basis of Consolidation
Genesco Inc. and all subsidiaries are included in the consolidated financial statements.

Financial Statement Reclassifications and Change in Presentation
In 1984 the Company began consolidating three immaterial subsidiaries previously accounted for under the equity method. Certain accounts in the 1983 consolidated balance sheet have been restated to conform to the 1984 presentation. Earnings for 1983 were not affected.

Certain expense items in the 1983 and 1982 earnings statement have been reclassified (with no effect on earnings) to conform to 1984 classifications.

Also, in 1984 the Company changed from the working capital format to the cash flow format of presenting its statement of changes in financial position.

Short-term Investments
Short-term investments are recorded at cost which approximates market value.

Inventories
Inventories are stated at the lower of cost or market determined, in wholesaling and manufacturing divisions, principally on the first-in, first-out method. Inventories of retail divisions are determined by the retail method.

Plant, Equipment and Capitalized Lease Rights
Plant, equipment and capitalized lease rights are recorded at cost and are depreciated or amortized over the estimated useful life of the related assets. Depreciation and amortization expense is computed principally by the straight-line method.

Retirement Plans
Substantially all of the Company's employees are covered by pension plans. For the Company sponsored plan, the Company records as pension expense and contributes to the plan an amount determined by its independent actuaries to be the minimum funding requirement of the Employee Retirement Income Security Act. The costs of multiemployer plans are funded in accordance with collective bargaining agreements.

Earnings (Loss) per Common Share
Primary earnings (loss) per share are computed by dividing net earnings (loss), adjusted for preferred dividend requirements (1984—$2,330,000; 1983—$2,199,000; 1982—$2,243,000), by average common shares and common share equivalents outstanding. In computing fully diluted earnings (loss) per share, earnings (loss) and average shares are appropriately adjusted for outstanding dilutive securities.

Foreign Currency Translation
Assets and liabilities of foreign subsidiaries are translated at the exchange rate on the balance sheet date. Income and expense accounts are translated at average exchange rates. Unrealized translation adjustments are reported as a separate component of stockholders' equity. Gains and losses from certain foreign currency transactions are reported as an item of income and were not material during any of the three years ended July 31, 1984. Unrealized translation adjustments for 1984 and 1983 were:

In Thousands	**1984**	1983
Balance at beginning of year	**$ (876)**	$(1,477)
Unrealized translation adjustments	**(2,601)**	601
Balance at End of Year	**$ (3,477)**	$ (876)

Note 2
Receivables

Genesco sells most of its accounts receivable to Genesco Financial Corporation (GFC), a wholly-owned consolidated subsidiary. The receivable amounts below include amounts sold to GFC as follows: 1984—$66,616,000; 1983—$76,397,000.

In Thousands	**1984**	1983
Trade accounts receivable	**$76,748**	$85,597
Miscellaneous receivables	**925**	2,424
Total receivables	**77,673**	88,021
Allowance for bad debts and cash discounts	**(2,839)**	(5,386)
Net Receivables	**$74,834**	$82,635

Note 3
Inventories

In Thousands	**1984**	1983
Raw materials	**$ 27,654**	$ 23,736
Work in process	**18,390**	17,878
Finished goods	**37,458**	33,421
Retail merchandise	**54,090**	52,869
Total Inventories	**$137,592**	$127,904

Note 4
Plant, Equipment and Capitalized Lease Rights

In Thousands	**1984**	1983
Plant and equipment:		
Land	**$ 2,572**	$ 2,623
Buildings and building equipment	**13,522**	13,952
Machinery, furniture and fixtures	**47,960**	48,633
Construction in progress	**1,344**	405
Improvements to leased property	**47,211**	50,211
Capitalized lease rights:		
Land	**1,862**	1,972
Buildings	**38,624**	39,700
Machinery, furniture and fixtures	**9,860**	10,609
Total plant, equipment and capitalized lease rights	**162,955**	168,105
Accumulated depreciation and amortization:		
Plant and equipment	**(61,951)**	(60,023)
Capitalized lease rights	**(24,167)**	(23,004)
Totals	**$ 76,837**	$ 85,078

Note 5
Short-Term Borrowing Arrangements

Revolving credit agreements expiring January 25, 1985 with nine U.S. banks and one Canadian bank provide commitments for loans to Genesco of up to $15,000,000 and to GFC of up to $11,000,000. In addition, an agreement having a similar expiration date with another bank provides a combined commitment for revolving credit loans to Genesco and GFC of up to $1,000,000. Prior to July 27, 1984 GFC was required by its long-term loan agreements (see Note 7) to have $5,000,000 of short-term loans outstanding at all times. At July 31, 1984,

Note 5
Short-Term Borrowing Arrangements (Continued)

Genesco and GFC had no loans outstanding under their revolving credit agreements. During the year ended July 31, 1984, Genesco received no loans under its revolving credit agreements and GFC averaged $4,986,000 at a weighted average interest rate of 11.5%. The total maximum borrowings at any month end during the period were $5,000,000.

Interest on any outstanding loans is payable quarterly at the Corporate Base Rate in effect from time to time. Commitment fees are payable quarterly at the rate of ½ of 1% per annum on the daily unused portion of the commitments. Compensating balance arrangements provide that Genesco and GFC will endeavor to maintain collected funds on deposit in each bank which, over a calendar year, average 10% of the bank's commitments plus 10% of the average borrowings under the commitments.

Genesco's revolving credit agreement requires the Company to maintain (i) working capital of at least $155,000,000, (ii) a current ratio of at least 2.35 to 1, (iii) tangible net worth of at least $105,881,000 and (iv) a ratio of total liabilities (excluding subordinated debt) to tangible net worth (including subordinated debt) of not more than 2.12 to 1. Genesco is also required to maintain GFC's Effective Net Worth at not less than $34,000,000 minus any future dividends paid. GFC is required to maintain (i) a ratio of indebtedness for borrowed money, excluding subordinated debt, to Effective Net Worth of not more than 4 to 1, and (ii) cash, certain investments and net receivables at least equal to 110% of total liabilities. At July 31, 1984 all of the above requirements were met.

Note 6
Accounts Payable and Accrued Liabilities

In Thousands	**1984**	1983
Trade accounts payable	**$20,658**	$24,595
Accrued liabilities for:		
Employee compensation	**12,469**	11,477
Pensions	**5,321**	5,740
Income taxes	**2,507**	–0–
Other taxes	**2,577**	2,731
Interest	**2,745**	2,503
Other	**7,549**	5,632
Totals	**$53,826**	$52,678

At July 31, 1984 and 1983, outstanding checks drawn on certain domestic banks exceeded book cash balances for those banks by approximately $5,226,000 and $4,540,000, respectively. These amounts are included in accounts payable.

Note 7
Long-Term Debt

In Thousands	**1984**	1983
15.25% senior sinking fund notes due December 1994 (less unamortized discount: 1984—$505; 1983—$569)	**$ 11,463**	$ 11,399
14.25% senior sinking fund notes due December 1994 (less unamortized discount: 1984—$1,791; 1983—$2,017)	**16,655**	16,429
9.75% senior sinking fund notes due October 1993 (less unamortized discount: 1984—$6,909)	**23,091**	–0–
6.50% convertible subordinated debentures (Series A) due April 1987; convertible into common stock at $41.67 per share	**1,895**	1,895
6.50% convertible subordinated debentures (Series B) due December 1987; convertible into common stock at $45.45 per share	**4,841**	4,839
5.25% first mortgage notes (Series A) due April 1989 (less unamortized discount: 1984—$326; 1983—$451) with quarterly principal and interest payments of $171	**2,529**	2,920
8.25% senior notes of GFC due March 1988 with annual payments of $4,000	**16,000**	20,000
10.50% senior notes of GFC due December 1991 with annual payments of $3,000	**24,000**	27,000
8.75% senior subordinated notes of GFC due March 1988 with annual payments of $1,000	**4,000**	5,000
5.50% guaranteed (subordinated) debentures due March 1988 of Genesco World Apparel, Ltd. with annual payments of $700	**9,393**	10,800
Other	**–0–**	20,797
Total	**113,867**	121,079
Current portion	**(8,434)**	(11,163)
Totals	**$105,433**	$109,916

In October 1983, the Company completed a public offering of 30,000 units consisting of (i) $30,000,000 principal amount of 9.75% Senior Sinking Fund Notes due 1993, (ii) 600,000 shares of the Company's common stock and (iii) 900,000 warrants to purchase shares of its common stock. Of the approximately $28,400,000 net proceeds from the offering, $27,800,000 was used to repay outstanding indebtedness with the balance being used for general corporate purposes.

In April 1983 the Company exchanged $11,968,000 of 15.25% Senior Sinking Fund Notes and $18,446,000 of 14.25% Senior Sinking Fund Notes plus warrants to purchase shares of the Company's common stock for $30,414,000 (82%) of previously outstanding 10.375% Senior Sinking Fund Notes. The Company realized a gain of $1,001,000 ($.07 per common share) on the transaction.

Long-term debt maturing during each of the years ending July 31 is as follows: 1986—$9,175,000; 1987—$11,130,000; 1988—$24,474,000; and 1989—$10,128,000.

Under covenants in certain long-term debt agreements GFC is required to maintain Adjusted Net Worth (stockholder's equity less deferred note expense) of not less than $22,500,000 and Eligible Net Assets (cash, certain investments and net receivables) of not less than 110% of total liabilities. The Company has agreed to maintain GFC's Adjusted Net Worth at not less than $22,500,000 and GFC's earnings before taxes and fixed charges at not less than 1.5 times fixed charges. At July 31, 1984 all of the above requirements were met.

Note 8
Commitments Under Long-Term Leases

Capital Leases

Future minimum lease payments under leases capitalized at July 31, 1984, together with the present value of the minimum lease payments, follow:

12 Months Ending July 31	*In Thousands*
1985	$ 6,258
1986	6,005
1987	5,069
1988	4,151
1989	3,614
Later years	29,297
Total minimum payments	54,394
Amount representing interest	(26,318)
Present value of minimum payments	28,076
Current portion	(3,158)
Total	$24,918

Minimum payments have not been reduced by minimum sublease rentals of $3,997,000 due in the future under noncancelable subleases. They also do not include contingent rentals which may be paid under certain retail store leases on the basis of a percentage of sales in excess of stipulated amounts. Contingent rentals are immaterial.

Operating Leases

Rental expense under operating leases of continuing operations for each of the three years ended July 31 was as follows:

In Thousands	**1984**	1983	1982
Minimum rentals	**$25,831**	$27,554	$23,875
Contingent rentals	**5,512**	5,015	5,486
Sublease rentals	**(706)**	(635)	(1,198)
Totals	**$30,637**	$31,934	$28,163

Minimum rental commitments payable in future years under noncancelable long-term leases of continuing operations are as follows:

12 Months Ending July 31	*In Thousands*
1985	$ 23,479
1986	22,686
1987	18,563
1988	14,387
1989	12,498
Later years	40,243
Total	$131,856

Minimum payments have not been reduced by minimum sublease rentals of $1,373,000 due in the future under noncancelable subleases. In addition to minimum rentals, some leases provide for the Company to pay real estate taxes and other expenses and, in many cases, contingent rentals based on sales. Approximately 25 percent of the Company's leases contain renewal options.

Note 9
Provision for Discontinued Operations

In prior years the Company adopted programs to restructure or divest various operations. These divestments are now essentially completed except for certain payments (principally long-term lease and pension payments) expected to continue into future periods for which provision has been made in the consolidated balance sheet. Net gains or losses realized from disposition of properties of discontinued operations are credited to or charged against the provision for discontinued operations.

On May 31, 1983 the Company sold substantially all the assets of its Haywood division, manufacturers of jeans and casual slacks. The sale resulted in a loss of $3,351,000 which was recorded in the 1983 financial statements.

In 1984 the Company determined its provision for discontinued operations to be greater than its currently anticipated requirements. The provision was reduced by $4,482,000, of which $4,306,000 relates to discontinued segments of the Company's business and is presented as a separate item in the consolidated earnings statement. Transactions affecting the total current

and long-term provision for each of the years ended July 31 are:

In Thousands	**1984**	1983	1982
Balance at beginning of year	**$19,896**	$19,981	$21,649
Additional provision for future losses	**42**	1,324	595
Excess provision restored to income	**(4,482)**	(299)	(663)
Other costs	**(1,613)**	(1,110)	(1,600)
Balance at End of Year	**$13,843**	$19,896	$19,981

Proceeds (before expense reductions) from divestment of discontinued operations were: 1984—$386,000; 1983—$2,143,000; and 1982—$20,826,000.

Note 10
Redeemable Preferred Stock and Other Capital Stock

Redeemable Preferred Stock		Issued at July 31					
				Amounts in Thousands		Common	No.
Class	Shares Authorized	**1984**	Shares 1983	**1984**	1983	Convertible Ratio	of Votes
$4.50 Cumulative Convertible Preferred	9,969	**9,969**	10,967	**$ 997**	$1,097	4.22	*
Subordinated Cumulative Convertible Preference							
$6.00 Series B	161,981	**807**	814	**80**	81	2.40**	2
$6.00 Series C	269,291	**202**	211	**20**	21	2.20**	2
Subordinated Serial Preferred (Cumulative)							
$3.90 Series 2	395,626	**165,436**	165,436	**10,754**	10,423	–	1
$4.75 Series 5	122,500	**98,474**	98,474	**9,847**	9,847	1.61	1
Total Redeemable Preferred Stock				**$21,698**	$21,469		

** The $4.50 Preferred Stock has no voting rights unless the Company is in arrears with respect to mandatory redemption requirements or is four quarters in arrears with respect to the payment of dividends.*

*** Also exchangeable for $100 principal amount of 6.50% Convertible Subordinated Debentures.*

Cumulative Convertible Preferred Stock:

Stated value—$100 per share; liquidation value—$100 per share plus accumulated dividends; optional redemption price—$100 per share. The Company is required to redeem 998 shares each December 31 at $100 per share. Shares which have been purchased or otherwise acquired by the Company may be credited against the required redemption.

Subordinated Cumulative Convertible Preference Stock:

Stated value and redemption price for each series—$100 per share; liquidation value for each series—$100 per share plus accumulated dividends. The Company is required to redeem the Series B shares on December 31, 1987 and the Series C shares on June 30, 1996, both at $100 per share.

Note 10
Redeemable Preferred Stock and Other Capital Stock (Continued)

Subordinated Serial Preferred Stock (Cumulative):
Stated and redemption values for Series 2 and 5—$65 and $100, respectively; liquidation values for Series 2 and 5—$65 and $100, respectively, plus accumulated dividends. At July 31, 1984 the Company was in arrears with respect to mandatory redemptions of Series 2 and 5 in the amounts of $10,754,000 and $9,800,000 respectively, plus accumulated dividends. The liquidation value and the redemption price of Series 2 increase by $2 each calendar year. The annual dividend rate with respect to Series 2 is 6% of the then prevailing redemption price.

Non-Redeemable Preferred Stock

		Issued at July 31					
				Amounts in Thousands			
Class	Shares Authorized	**1984**	Shares 1983	**1984**	1983	Common Convertible Ratio	No. of Votes
$4.25 Series A Subordinated Cumulative Convertible Preference	68,943	**600**	600	**$ 60**	$ 60	–	3
Subordinated Serial Preferred (Cumulative)							
$2.30 Series 1	131,826	**89,286**	89,286	**3,571**	3,571	.83	1
$4.75 Series 3	105,875	**80,058**	80,058	**8,006**	8,006	2.11	2
$4.75 Series 4	103,000	**65,648**	65,648	**6,565**	6,565	1.52	1
$1.50 Subordinated Cumulative Preferred	5,000,000	**105**	105	**3**	3	–	1
Employees' Subordinated Convertible Preferred	5,000,000	**929,616**	929,616	**27,889**	27,889	1.00*	1
Total Non-Redeemable Preferred Stock				**$46,094**	$46,094		

*Also convertible into one share of Subordinated Cumulative Preferred Stock.

$4.25 Series A Subordinated Cumulative Convertible Preference Stock:
Stated value and redemption price—$100 per share; liquidation value—$100 per share plus accumulated dividends.

Subordinated Serial Preferred Stock (Cumulative):
Stated and redemption values for Series 1 are $40 per share and for Series 3 and 4 are each $100 per share; liquidation values for Series 1—$40 per share, plus accumulated dividends and for Series 3 and 4—$100 per share, plus accumulated dividends.

$1.50 Subordinated Cumulative Preferred Stock:
Stated and liquidation values and redemption price—$30 per share.

Employees' Subordinated Convertible Preferred Stock:
Stated and liquidation values—$30 per share. Shares are not redeemable.

Common Stock
Common stock ($1 par value). Authorized 40,000,000 shares; issued: July 31, 1984—15,533,398 shares; July 31, 1983—14,908,085 shares. There were 488,464 shares held in the treasury at July 31, 1984 and 1983. Each outstanding share is entitled to one vote at meetings of stockholders. At July 31, 1984 common shares were reserved as follows: 1,889,553 shares for conversion of senior securities; 662,250 shares for the Key Executives Stock Option Plan; and 1,789,364 shares for exercise of warrants. Warrants to purchase common

stock were outstanding at July 31, 1984 as follows: 151,524 shares at $4.49 per share expiring June 30, 1985; 737,840 shares at $8.00 per share expiring February 15, 1993; and 900,000 shares at $11.75 per share expiring October 15, 1993.

Restrictions on Dividends and Redemptions of Capital Stock

Under the Tennessee General Corporation Act (the "Act"), dividends may be paid out of unreserved and unrestricted earned surplus. The Company had an accumulated deficit of $9,254,000 in its earned surplus account at July 31, 1984. Under the Act, a corporation's earned surplus is restricted to the extent earned surplus is used as a measure of its right to purchase its own shares, so long as such shares are held in its treasury. At July 31, 1984 the Company held 488,464 shares of common stock in its treasury for which there was a restriction of $17,857,000 against its earned surplus account.

The Act also permits the payment of dividends out of net earnings of the current fiscal year and the immediately preceding fiscal year taken as a single period. The Company's consolidated net earnings for the fiscal year ended July 31, 1984 were $18,745,000.

In addition, cumulative preferred dividends may be paid out of capital surplus if there is no earned surplus. The Company's capital surplus, determined under the Act, was $32,985,000 at July 31, 1984.

The Company's charter provides as to each class of preferred stock that no dividends may be paid and no shares may be redeemed or otherwise acquired for value if there are dividend or redemption arrearages on any senior or equally ranked stock. The order of seniority of the various classes is as follows: $4.50 cumulative convertible preferred; $4.25 Series A; $6.00 Series B; $6.00 Series C; $2.30 Series 1 and $3.90 Series 2; $4.75 Series 3; $4.75 Series 4; $4.75 Series 5; $1.50 subordinated cumulative preferred; and employees' subordinated convertible preferred. Dividend and redemption arrearages at July 31, 1984 amounted to $39,654,000.

The indenture relating to the Company's 9.75% notes due October 1993 effectively prohibits dividends and redemptions, with certain exceptions unless, after giving effect to the dividend and redemption, the aggregate of all dividends and redemptions after July 31, 1983 is less than the aggregate of (a) 25 percent of the first $10,000,000, 50 percent of the next $25,000,000, 75 percent of the next $25,000,000, and 100 percent of the excess thereof of Consolidated Net Income plus the net proceeds from the sale or exchange of the Company's capital stock after July 31, 1983. The principal exceptions are the payment of fixed dividends and mandatory sinking or purchase fund payments on shares of the Company's $4.50 cumulative convertible preferred stock and subordinated cumulative convertible preference stock, Series A, B, and C, which were outstanding at July 31, 1983 and the acquisition of Series C preferred stock in exchange for convertible subordinated debentures. At July 31, 1984 stockholders' equity of $12,808,000 was available for dividends and redemptions.

The Company's revolving credit agreement effectively limits dividends and acquisitions of capital stock after July 31, 1984, with certain exceptions, to 50 percent of consolidated net earnings after July 31, 1984 plus the net proceeds from the sale of capital stock after July 31, 1984, plus the sum of $14,293,000. The principal exceptions are fixed dividends and mandatory redemptions of $4.50 cumulative convertible preferred stock, $4.25 Series A stock, $6.00 Series B stock and $6.00 Series C stock and the acquisition of shares of Series B and C stock in exchange for 6.50% convertible subordinated debentures due 1987.

The Company has other debt instruments which contain restrictions on dividends and redemptions which at July 31, 1984 were not as restrictive as the above.

Genesco was in arrears at July 31, 1984 with respect to dividends payable on the following classes of preferred stock:

Note 10
Redeemable Preferred Stock and Other Capital Stock (Continued)

Class of Stock	Date Dividends Paid to	Arrearage at July 31, 1984 Per Share	Aggregate
$2.30 Series 1	January 31, 1975	$21.85	$ 1,950,899
$3.90 Series 2	January 31, 1975	37.05	6,129,404
$4.75 Series 3	January 31, 1975	45.13	3,612,617
$4.75 Series 4	January 31, 1975	45.13	2,962,366
$4.75 Series 5	January 31, 1975	45.13	4,443,639
$1.50 Subordinated	January 31, 1975	14.25	1,496
Total			$19,100,421

Changes in the Shares of the Company's Capital Stock

	Common Stock	Preferred Stock
Issued at July 31, 1981	13,143,123	1,927,380
Settlement of lawsuits	1,672,275	(167,458)
Redemption of $4.50 Preferred	–0–	(998)
Exchanged for debentures	–0–	(6,469)
Treasury shares retired	–0–	(303,537)
Issued at July 31, 1982	14,815,398	1,448,918
Settlement of lawsuits	(14)	–0–
Redemption of $4.50 Preferred	–0–	(998)
Exchanged for debentures	–0–	(6,705)
Options and warrants exercised	92,701	–0–
Issued at July 31, 1983	14,908,085	1,441,215
Redemption of $4.50 Preferred	–0–	(998)
Exchanged for debentures	–0–	(16)
Issued with debt offering	600,000	–0–
Options and warrants exercised	25,313	–0–
Issued at July 31, 1984	15,533,398	1,440,201
Less treasury shares	488,464	–0–
Outstanding at July 31, 1984	15,044,934	1,440,201

Note 11
Income Taxes

Income tax expense is composed of the following:

In Thousands	**1984**	1983	1982
U.S. federal	**$ 3,395**	$ –0–	$ –0–
Canadian—operations:			
Current	**3,792**	1,714	3,544
Deferred	**371**	(222)	(349)
—withholding taxes:			
Current	**146**	417	463
Deferred	**(332)**	567	2,500
State	**262**	184	694
Total income taxes	**7,634**	2,660	6,852
Extraordinary credit—U.S. federal	**(3,395)**	–0–	–0–
Net Income Tax Expense	**$ 4,239**	$2,660	$6,852

The U.S. federal income tax provision on 1984 pretax earnings is offset by the extraordinary credit which reflects utilization of net operating loss carryforwards resulting from losses incurred by U.S. operations in prior years.

Canadian withholding taxes for 1983 and 1982 include provisions of $567,000 and $2,500,000, respectively, which will become payable upon the expected repatriation of certain Canadian earnings. On August 16, 1984 the U.S. and Canadian governments ratified a tax treaty which, among other things, will reduce from 15% to 10% the withholding tax rate that will apply to earnings the Company plans to repatriate. The effect of this rate reduction was recorded in 1984 and reduced previously accrued withholding taxes by $1,253,000, resulting in a net withholding tax benefit in 1984 of $332,000. No provision has been made for the balance of accumulated Canadian earnings because the Company considers these earnings to be permanently reinvested in Canada.

The Company has net operating loss carryforwards available to offset future U.S. taxable income as follows:

Expiration Date	*In Thousands*
July 31, 1992	$ 1,411
July 31, 1993	18,410
July 31, 1996	6,915
July 31, 1998	4,188
Total Net Operating Loss Carryforwards	$30,924

In addition to its net operating loss carryforwards, the Company has recorded in its financial statements other losses and expenses amounting to $49,066,000 which will be deductible for federal income tax purposes in future years. These timing differences include pension expense, transactions affecting the provision for discontinued operations and numerous smaller items.

Note 12
Retirement Plans

Pension expense of the Company sponsored pension plan amounted to $4,230,000 in 1984, $4,656,000 in 1983, and $5,235,000 in 1982. Accumulated plan benefits and plan net assets as of December 31, 1983 (the date of the most recent actuarial valuation) and December 31, 1982 are presented below:

In Thousands	**1983**	1982
Actuarial present value of accumulated plan benefits:		
Vested	**$85,020**	$80,299
Nonvested	**779**	1,265
Totals	**$85,799**	$81,564
Net Assets Available for Benefits	**$66,816**	$63,818

The weighted average assumed rate of return used each year in determining the actuarial present value of accumulated plan benefits was eight percent.

The information presented above does not include amounts applicable to discontinued operations, as the liability for such future pension costs is included in the provision for discontinued operations (Note 9).

The Company also contributes to a multi-employer plan covering most hourly-paid employees of the Company's tailored clothing operations. Actuarial calculations have not been made to determine the Company's portion of the excess of the actuarial present value of accumulated plan benefits over the net assets of the plan available for such benefits.

Note 13
Employee Stock Plans

The stockholders of the Company have approved several stock option and purchase plans enabling employees to purchase shares of common or employees' preferred stock. These are the Key Executives Stock Option Plan, under which key executive employees, selected by the Compensation Committee of the Board of Directors, may be granted stock options, and Employees' Incentive Plans A and B.

Note 13
Employee Stock Plans (Continued)

Activity under the Key Executives Stock Option Plan was as follows:

	1984	1983
Options outstanding at beginning of year	**301,000**	233,500
Options granted	**206,500**	85,000
Options exercised	**(21,750)**	(9,500)
Options expired	**(29,000)**	(8,000)
Options outstanding at end of year	**456,750**	301,000
Shares reserved for future options*	**205,500**	383,000
Total Shares Reserved	**662,250**	684,000

**Under the provisions of the Plan, no options may be granted after December 1, 1984.*

The options outstanding at July 31, 1984 were held by 84 individuals as follows:

Expiration Date	Shares Subject to Option	Option Price	Options Exercisable as of July 31, 1984
November 30, 1985	58,000	$5.13	58,000
April 9, 1990	75,000	3.00	75,000
October 20, 1990	28,750	4.75	16,125
November 2, 1990	7,500	5.00	5,625
July 21, 1991	15,000	8.50	11,250
October 27, 1992	77,500	4.63	19,375
August 23, 1993	25,000	8.75	–0–
October 11, 1993	170,000	9.75	–0–
Totals	456,750		185,375

Payments on Employees' Incentive Plans A and B stock purchase accounts have been indefinitely deferred. Employee stock purchase accounts under both stock purchase plans amounted to $17,481,000 and $17,584,000 at July 31, 1984 and 1983, respectively, and were secured at July 31, 1984 by 804,673 employees' preferred shares and 23,724 common shares. No further sales of shares under plans A and B are contemplated.

Note 14
Pending Legal Proceedings

The Company, GFC and certain former employees of the Company are co-defendants in a class action brought in 1970 on behalf of shareholders of a former customer of the Company against the former customer and others. The complaint alleges violations of the Federal securities laws and that the Company and GFC were "controlling persons" of the former customer and are thereby liable for its actions. The Company is a defendant in other litigation involving routine matters incidental to its business. In the opinion of management, the ultimate disposition of pending litigation will not have a materially adverse effect on the consolidated financial statements.

Note 15
Business Segment Information

Divested operations consist of the Haywood and Baron's divisions which were sold in May and September 1983, respectively.

In Thousands	**1984**	1983	1982
Sales to Unaffiliated Customers:			
Footwear:			
Shoes and accessories:			
Retail:			
U.S.A.	**$188,932**	$172,328	$158,250
Canada	**74,667**	72,406	62,438
Total retail	**263,599**	244,734	220,688
Wholesale and manufacturing:			
U.S.A.	**131,293**	143,017	162,269
Canada	**17,098**	18,099	22,523
Total wholesale and manufacturing	**148,391**	161,116	184,792
Raw materials	**51,343**	42,310	45,873
Total footwear	**463,333**	448,160	451,353
Men's apparel:			
Tailored clothing	**109,289**	119,849	130,281
Hosiery	**31,847**	31,709	30,663
Total men's apparel	**141,136**	151,558	160,944
Divested operations	**1,795**	40,043	52,508
Totals	**$606,264**	$639,761	$664,805
Pretax Earnings (Loss):			
Footwear:			
Shoes and accessories:			
Retail:			
U.S.A.	**$ 13,554**	$ 7,225	$ 5,890
Canada	**6,488**	3,919	4,024
Total retail	**20,042**	11,144	9,914
Wholesale and manufacturing:			
U.S.A.	**3,605**	585	(2,779)
Canada	**2,583**	1,364	2,311
Total wholesale and manufacturing	**6,188**	1,949	(468)
Raw materials	**4,404**	4,324	5,506
Total footwear	**30,634**	17,417	14,952
Men's apparel	**7,844**	6,198	13,604
Interest expense	**(12,517)**	(14,591)	(13,699)
Corporate expenses	**(7,326)**	(5,887)	(6,490)
Divested operations	**43**	(3,449)	(416)
Totals	**$ 18,678**	$ (312)	$ 7,951

Note 15
Business Segment Information, (Continued)

In Thousands	**1984**	1983	1982
Assets:			
Footwear:			
Retail:			
U.S.A.	**$ 62,709**	$ 55,590	$ 56,793
Canada	**20,192**	24,630	24,327
Total retail	**82,901**	80,220	81,120
Wholesale and manufacturing:			
U.S.A.	**73,070**	74,555	81,879
Canada	**6,947**	6,611	7,410
Total wholesale and manufacturing	**80,017**	81,166	89,289
Raw materials	**18,302**	15,222	17,594
Total footwear	**181,220**	176,608	188,003
Men's apparel	**99,957**	99,412	115,163
Corporate assets	**46,954**	40,838	27,756
Divested operations	**1,310**	10,320	25,269
Totals	**$329,441**	$327,178	$356,191
Depreciation and Amortization:			
Footwear	**$ 7,849**	$ 8,215	$ 7,440
Men's apparel	**2,028**	2,140	2,029
Corporate	**153**	353	389
Divested operations	**44**	811	696
Totals	**$ 10,074**	$ 11,519	$ 10,554
Additions to plant, equipment and capitalized lease rights:			
Footwear	**$ 5,243**	$ 6,678	$ 11,415
Men's apparel	**2,176**	10,081	2,519
Corporate	**94**	249	1,911
Divested operations	**12**	1,129	1,431
Totals	**$ 7,525**	$ 18,137	$ 17,276

Note 16
Quarterly Financial Information (Unaudited)

In Thousands	3 Months October	3 Months January	3 Months April	3 Months July	Fiscal Year
Net sales					
1984	$152,353	$155,271	$145,765	$152,875	$606,264
1983	167,195	164,482	154,222	153,862	639,761
Gross margin					
1984	$ 55,450	$ 59,057	$ 53,647	$ 55,688	$223,842
1983	52,504	56,537	49,608	54,613	213,262
Pretax earnings (loss)					
1984	$ 3,555	$ 7,011	$ 1,314 (1)	$ 6,798	$ 18,678
1983	(2,180)	2,239	(6,100)(2)	5,729	(312)
Earnings (loss) before discontinued operations and extraordinary credits					
1984	$ 1,622	$ 3,619	$ 742	$ 5,061(3)	$ 11,044
1983	(2,873)	785	(6,101)	5,217	(2,972)
Earnings (loss) before extraordinary credits					
1984	$ 1,622	$ 3,619	$ 5,048 (4)	$ 5,061	$ 15,350
1983	(2,873)	785	(6,101)	5,217	(2,972)
Net earnings (loss)					
1984	$ 2,261	$ 4,667	$ 5,238	$ 6,579	$ 18,745
1983	(2,873)	785	(5,100)(5)	5,217	(1,971)

(1) Includes $1,204,000 loss on write-down of fixed assets.
(2) Includes $3,351,000 loss on divested operations(see note 9).
(3) Includes income of $1,253,000 from reversal of tax accruals (see note 11).
(4) Includes income of $4,306,000 from excess provision for discontinued operations(see note 9).
(5) Includes $1,001,000 gain on retirement of debt (see note 7).

© Note 16
Quarterly Financial Information (Unaudited) (Continued)

	3 Months October	3 Months January	3 Months April	3 Months July	Fiscal Year
Earnings (loss) per common share (after preferred dividend requirements):					
Primary:					
Before discontinued operations and extraordinary credits					
1984	$ .07	$ .20	$ .01	$ .29	$ .57
1983	$(.23)	$ .01	$(.46)	$ .32	$ (.36)
Before extraordinary credits					
1984	$ .07	$ .20	$ .29	$ .29	$ .86
1983	$(.23)	$ .01	$(.46)	$ .32	$ (.36)
Net earnings (loss)					
1984	$ .12	$ .27	$ .30	$ .39	$1.08
1983	$(.23)	$ .01	$(.39)	$ .32	$ (.29)
Fully diluted:					
Before discontinued operations and extraordinary credits					
1984	$ .07	$ .19	$ .01	$ .28	$ .55
1983	$(.23)	$ .01	$(.46)	$ .30	$ (.36)
Before extraordinary credits					
1984	$ .07	$ .19	$ .28	$ .28	$ .81
1983	$(.23)	$ .01	$(.46)	$ .30	$ (.36)
Net Earnings (loss)					
1984	$ .11	$ .25	$ .29	$ .37	$1.02
1983	$(.23)	$ .01	$(.39)	$ .30	$ (.29)

Note 17
Supplementary Financial Information Adjusted for Changing Prices (Unaudited)

In accordance with Statement of Financial Accounting Standards No. 33—"Financial Accounting and Changing Prices"—the financial information presented below illustrates the estimated effects of inflation. The two methods required by Statement 33 are based on assumptions and estimates having limitations due to the subjective nature of the estimating process. Since the methods used have limitations and are experimental, this information should be viewed with caution and not viewed as indicative of future financial results of the Company.

Under Statement 33, only cost of goods sold and depreciation expense are required to be adjusted in determining income from operations. Supplementary data on changing prices is based upon historical financial statements adjusted for (1) general inflationary factors (constant dollar method) and (2) changes in specific prices (current cost method).

Supplementary data on a constant dollar basis is expressed in average dollars and reflects adjustments that have occurred in the purchasing power of the dollar as measured by the Consumer Price Index for All Urban Consumers (CPI-U). In accordance with Statement 33, net sales and all expenses (other than cost of goods sold, depreciation and amortization expense) are assumed to have occurred proportionately in relation to the changing CPI-U over the course of the year, so that these income statement items are deemed to be stated in average 1984 dollars in the primary financial statements and require no adjustment in the constant dollar statement. Constant dollar amounts do not represent appraised values or any other measure of current value.

The current cost of inventories represents the cost of purchasing such inventory at year-end prices. Cost of goods sold under the current cost method represents estimated prices in effect at date of sale. The current cost of plant, equipment and capitalized lease rights are estimates of what the Company's existing assets would cost at July 31, 1984. The current cost of depreciation and amortization expense as well as gains or losses on sale of property are estimates based upon the current cost of the underlying assets. Depreciation and amortization expenses were calculated using the same methods and rates as those used in the historical financial statements. Indexing was used in estimating the current cost amounts. These values represent the estimated current costs of existing assets and do not consider technological improvements and efficiencies associated with the normal replacement of productive capacity.

Statement 33 prohibits the modification of income tax expense for any timing differences, allocations or adjustments that may result from applying the different methods in preparing the supplementary data.

The gain from the decline in purchasing power of net monetary liabilities is a measure of inflation's impact on monetary items. Net monetary assets (or liabilities) include cash, claims to cash and amounts owed, which are fixed in terms of number of dollars to be received or paid. The gain is calculated by measuring the effect on purchasing power for the year attributable to general inflation, having taken into account net balances of monetary liabilities at the beginning and end of the year and transactions for the year. This is not a realized gain and does not represent funds available for dividends and capital.

Losses adjusted for general inflation and specific prices do not include any effect for the accumulated excess of constant dollar and current cost plant, equipment and capitalized lease rights over historical cost, or the gain from decline in purchasing power of net monetary liabilities. Therefore, net losses adjusted for general inflation and specific prices reflect the penalty for inflated depreciation, inventory cost and losses on sale of property without the benefit from either the inflated value of assets or the increasing value of net monetary liabilities.

Note 17
Supplementary Financial Information Adjusted for Changing Prices (Unaudited) (Continued)

The statement of consolidated earnings adjusted for changing prices for the year ended July 31, 1984 follows:

In Average 1984 Dollars In Thousands	As Included in the Primary Statements	Adjusted for General Inflation (Constant Dollar)	Adjusted for Changes in Specific Prices (Current Costs)
Net sales	$606,264	$606,264	$606,264
Cost of goods sold	378,826	382,273	381,374
Depreciation and amortization	10,074	13,547	13,029
Other operating expenses	185,647	185,647	185,647
Interest expense	12,517	12,517	12,517
Other expense	417	417	417
Loss on sale of properties	105	3,049	2,489
Pretax earnings	18,678	8,814	10,791
Income taxes	7,634	7,634	7,634
Earnings before discontinued operations and extraordinary credits	11,044	1,180	3,157
Excess provision for future losses of discontinued operations	4,306	4,306	4,306
Earnings before extraordinary credits	15,350	5,486	7,463
U.S. federal income tax	3,395	3,395	3,395
Net earnings	$ 18,745	$ 8,881	$ 10,858
Other Information			
Purchasing power gain from holding net monetary liabilities during the year		$ 3,839	$ 3,839
Increase in specific prices (current costs) of inventories and plant, equipment and capitalized lease rights held during the year*			$ 6,238
Less effect of increase in general price level (constant dollar)			10,301
Decrease in current costs over increase in the constant dollar level			$ (4,063)

**On July 31, 1984 the current cost of inventory was $137,696,000 and the current cost of plant, equipment, and capitalized lease rights net of accumulated depreciation and amortization was $114,616,000.*

The information included in the five-year comparison of selected supplementary financial data adjusted for the effects of general inflation is expressed in average 1984 constant dollars. As required, net sales and market price per common share at year-end are presented for each of the five years shown, with earnings before discontinued operations and the gain in purchasing power of net amounts owed being presented for 1984–1980. Net assets at year-end are preferred stocks, common stocks and other stockholders' equity as reported in the primary financial statements, adjusted to reflect the excess of the constant dollar and current cost amounts for inventory and plant, equipment and capitalized lease rights over the respective historical/nominal dollar amounts.

The five-year comparison of selected supplementary financial data adjusted for the effects of changing prices for the years ended July 31 follows:

In Average 1984 Dollars	**1984**	1983	1982	1981	1980
Net sales	**$606,264**	$664,075	$717,586	$774,086	$829,736
Historical Cost Information Adjusted for General Inflation:					
Earnings (Loss) before discontinued operations	**1,180**	(16,677)	(17,126)	(12,546)	(27,685)
Per share data—primary	**.47**	(1.33)	(1.20)	(2.34)	(2.52)
Net assets at year-end	**156,600**	145,095	160,732	171,027	159,574
Current Cost Information:					
Earnings (loss) before discontinued operations	**3,157**	(14,241)	(6,686)	6,387	(4,565)
Per share data—primary	**.60**	(1.15)	(.70)	.19	(.70)
Increase (decrease) in specific prices of inventories and properties over increase in the general price level	**(4,063)**	756	(10,193)	(5,262)	(206)
Net assets at year-end	**151,244**	140,319	149,831	163,683	148,790
Other Information:					
Purchasing power gain from holding net monetary liabilities during the year	**3,839**	2,787	9,111	18,717	33,485
Market price per common share at year-end	**5.89**	8.90	4.35	11.93	4.96
Average consumer price index	**305.9***	294.7	283.4	261.8	235.1

All figures are in thousands except amounts per share and price index.

**Estimated average.*

Five Year Financial Summary

Genesco Inc. and Consolidated Subsidiaries
Years Ended July 31

In thousands except per share amounts	**1984**	1983	1982	1981	1980
Results of Operations Data					
Net sales	**$606,254**	$639,761	$664,805	$662,490	$637,695
Depreciation and amortization	**10,074**	11,519	10,554	10,162	10,784
Pretax earnings (loss)	**18,678**	(312)	7,951	26,098	10,679
Earnings before discontinued operations and extraordinary credits	**11,044**	(2,972)	1,099	12,748	5,200
Discontinued operations	**4,306**	-0-	-0-	(1,180)	(502)
Extraordinary credits:					
U.S. federal income tax	**3,395**	-0-	-0-	6,495	-0-
Extinguishment of debt	**-0-**	1,001	-0-	-0-	-0-
Net earnings (loss)	**$ 18,745**	$ (1,971)	$ 1,099	$ 18,063	$ 4,698
Per Common Share Data					
Earnings (loss) from continuing operations					
Primary	**$ .57**	$(.36)	$(.09)	$ .75	$ .16
Fully Diluted	**.55**	(.36)	(.09)	.71	.15
Discontinued operations					
Primary	**.29**	-0-	-0-	(.10)	(.04)
Fully Diluted	**.26**	-0-	-0-	(.09)	(.04)
Extraordinary credits					
Primary	**.22**	.07	-0-	.51	-0-
Fully Diluted	**.21**	.07	-0-	.47	-0-
Net earnings					
Primary	**1.08**	(.29)	(.09)	1.16	.12
Fully Diluted	**1.02**	(.29)	(.09)	1.09	.11
Book value	**3.17**	1.86	2.01	1.14	(.10)
Balance Sheet Data					
Working capital	**$179,452**	$162,588	$154,085	$180,246	$173,637
Current ratio	**3.6**	3.1	2.5	2.7	2.4
Total assets	**329,441**	327,178	356,191	379,629	413,871
Notes payable	**-0-**	5,000	16,000	7,000	15,000
Long-term debt*	**113,867**	121,079	126,445	147,457	174,194
Capitalized lease obligations*	**28,076**	31,786	22,648	24,606	39,597
Redeemable preferred stock	**21,698**	21,469	21,908	39,082	39,150
Non-redeemable preferred stock	**29,133**	29,030	28,780	26,936	26,646
Common stockholders' equity	**64,865**	41,883	41,733	33,847	16,113
Capital expenditures	**7,525**	18,137	17,276	18,964	23,315
Other Data					
Number of stores	**1,098**	1,157	1,194	1,134	1,120
Number of employees	**12,400**	13,200	16,000	18,000	21,800

**Includes current payments.*

The Company has not paid dividends on its Common Stock since 1973. See Note 10 to the Consolidated Financial Statements for a description of limitations on the Company's ability to pay dividends.

Securities Information—Common Stock

(New York and Midwest Stock Exchanges)

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	High	Low	High	Low	High	Low	High	Low
1984	**10⅜**	**7¾**	**9**	**6⅝**	**7⅝**	**5⅝**	**8⅛**	**5¾**
1983	4⅜	3⅝	5⅞	4⅛	8	4⅞	10⅛	7⅛

Approximate number of common stockholders of record: 24,000.

Genesco Board of Directors

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(Real Estate Investor & Developer)
Nashville, Tennessee

Sidney Davidson
Arthur Young Distinguished Service Professor
Graduate School of Business
University of Chicago
Chicago, Illinois

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The Equitable Life Assurance Society of the United States
New York, New York

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Chairman, President and Chief Executive Officer
Genesco Inc.

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Rinfret Associates, Inc.
(Economic Consultants)
New York, New York

Kenneth L. Roberts
Chairman and Chief Executive Officer First American Corporation and Chairman First American National Bank of Nashville
Nashville, Tennessee

Richard A. Voell
President and Chief Executive Officer
The Rockefeller Group
(Privately Owned Corp. with Interests in Real Estate and Communications.)
New York, New York

Edward E. Watson
Retired Chairman and Chief Executive Officer The Boston Store, and Vice President, Federated Department Stores
Milwaukee, Wisconsin

David K. Wilson
Chairman Cherokee Equity Corporation
(Diversified Holding Co.)
Nashville, Tennessee

Toby S. Wilt
President
Hillsboro Enterprises, Inc.
(Investment Holding Co.)
Nashville, Tennessee

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Nelson C. Andrews
Toby S. Wilt

Compensation
Edward E. Watson, Chairman
Nelson C. Andrews
John Diebold
Richard A. Voell

Executive
John L. Hanigan, Chairman
Richard W. Hanselman
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Finance
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Chairman, President and Chief Executive Officer

Larry B. Shelton
Executive Vice President President and Chief Executive Officer The Greif Companies

Thomas B. Clark
Vice President and General Counsel

Richard L. Daniels
Vice President General Manager, Footwear Operations and Wholesale Divisions

James S. Gulmi
Vice President and Treasurer

Jack V. Gunion
Vice President President, U.S. Retail Group

Don R. Martin
Vice President— Human Resources

William S. Wire II
Vice President—Finance

William C. O'Connor
Secretary

Genesco at a Glance:

U.S. Footwear

12 shoe plants making such brands as:
Johnston & Murphy
Jarman
Laredo
Wrangler
Charm Step
Easy Street
Mitre

744 shoe stores, including:
Johnston & Murphy
Jarman
Hardy
Foot Scene
Flagg

7 plants producing leather, chemicals, packaging, and footwear components

Canadian Footwear

3 shoe plants making such brands as:
Jarman
Ritchie

354 shoe stores, including:
Aggies
Agnew

Men's Apparel

5 plants producing tailored clothing such as:
Lanvin of Paris
Chaps by Ralph Lauren
Kilgour, French & Stanbury
Hardy Amies of London
Polo University Club by Ralph Lauren
Valentino Uomo of Rome
Colours by Alexander Julian
Donald Brooks
Phoenix
Oleg Cassini
Rafael
Perry Ellis

2 plants producing men's and women's hosiery such as:
Camp
Christian Dior
Norma Kamali
Anne Klein
Henry Grethel
Jordache

Genesco Inc. is an equal opportunity employer and employs approximately 12,400 people.

Corporate Information

Corporate Office
Genesco Park
Nashville, Tennessee 37202
(615) 367-7000

Cable Address
GENCORP Nashville

Telex Number
Nashville, Tennessee 554405

Transfer Agent and Registrar
Common and Preferred Stocks
Morgan Guaranty Trust
Company of New York
New York, New York 10015

Independent Accountants
Price Waterhouse
First American Center
Nashville, Tennessee 37238

Annual Stockholders Meeting
Corporate Office
Wednesday, December 5, 1984

Form 10-K
Each year Genesco files with the Securities and Exchange Commission a Form 10-K report which contains more detailed information. Any stockholder who would like to receive a copy should send a request to:
Manager
Corporate Public Relations
Genesco Inc.
Genesco Park Room 478
Nashville, TN 37202

New York Stock Exchange
Symbol: GCO

UNIVERSITY OF TEXAS AT ARLINGTON LIBRARY

Genesco Inc.

Genesco Park

Nashville, TN 37202

Bulk Rate
U.S. Postage
PAID
Nashville, TN
Permit No. 1821

Ruth Brock
Univ. of Texas at Arlington
Library
P.O. Box 19497
Arlington, TX 76019